



# TOWN OF ELLINGTON

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ELLINGTON, CONNECTICUT 06029-0187

## BOARD OF FINANCE

ROBERT J. CLEMENTS  
Chairman

## BOARD OF FINANCE PUBLIC HEARING TUESDAY, APRIL 7, 2009

RICHARD J. CLEARY  
MARK A. JOYSE  
BARRY C. PINTO  
MICHAEL D. VARNEY  
JOSEPH E. WEHR

**Members Present:** R. Clements-Chairman, R. Cleary, M. Joyse, B. Pinto, J. Wehr, M. Varney

**Others Present:** N. DiCorleto-Fin Officer, S. Cullinan-Supt of Schools, M. Stupinski-First Selectman, Town and School officials, Residents, Press

Chairman Clements opened the hearing at 8:00 PM. In his opening statement he told the audience that there have been no reductions made at this date. The budget deliberations will take place on April 21 and 23 and at that time the Board of Finance will review the budgets as submitted and make the reductions. On May 12 the annual town meeting will take place and the budget will be sent to a referendum. This year's budget guideline was a zero percent increase with no exceptions for contractual pay raises. State revenue funds are declining and this is not a normal budget year. To bring the budget to a zero mill increase, there is \$2.9 million gap that needs to be dealt with. This is a result of a combination of increased spending and decreased funding. If the Board of Education and the Town Government were to defer their salary increases, it would be a total of \$1,086,000 which is still not enough to bring it to zero. No one will be happy with the end result of this budget.

Motor vehicle revenue declined 2.46%. The 2007 grand list increased 3.4% and the 2006 grant list increased 4.25%. This year the increase is 1.61%. The last couple of budget years have had increased tax revenue due to the grand list increase. If the Town spending side stays the same, there will still need to be a tax increase because of declining revenues. In the past the State has supplied 50% of the education costs. This year will be 33%. The financial problems do not have to do with the spending side of the budget, but mostly from the revenue side. Investment earnings are also down.

The Board of Education's proposed budget increase of \$891,000 only includes contractual pay increases. The general government increased \$351,000 or 3.06%. Capital Improvements requests increased \$505,000 and debt service increased \$59,000. The contingency fund is currently at 6% of the budget.

**Comments and Questions:**

Dianne Sirois, 20 Stein Rd, stated that she felt that the Board of Finance would be inclined to cut the education budget first because it is the largest at 63% of the total budget. The in-coming fifth grade class at Windermere will be 223 students which will leave class sizes at 27+ if no additional teacher can be moved there. She felt that education should be a priority and asked that the Finance Board not make any reductions to the education budget.

David Hurley, 13 Standish Rd asked what the difference is between the 3.74% increase in budget as opposed to the mill rate increase of 9.8%. Mr. Clements stated that the 3.74% is increased spending and the other reflects the revenue side.

Laurie Burstein, 10 Woodland Trail, stated that she spoke to Representative Graziani and he told her that the Governor is planning to freeze all Steap grants.

Mr. Clements stated that enrollment has increased by 425 students since the year 2000. The budget will be trimmed but the board does not want to dismantle town services. He feels that the legislature needs to change. The members of the Board of Finance will look at each item, and cut or postpone items.

One resident asked why if residents have to take a pay cut or lay off, why not Town employees. He also asked about the tuition for out placed students.

The Superintendent of Schools explained the funding for the Magnet Schools and Open Choice schools. There are currently 11% of Hartford students in the Open Choice program around the region. The funds from Open Choice are used to fund the tuitions to the Magnet Schools. Where the problem may occur is with the amount of students coming from Hartford schools. There are presently 18 students in the Ellington school system from the program; the participation rate is not increasing as it was envisioned through the original Sheff vs. O'Neil ruling. Therefore, the State is raising the requirement for accepting students. They are proposing that Ellington take 20 students rather than asking for voluntary participation. We are at the lowest participation rate in the program. He also stated that presently 31 students have applied to Magnet Schools, 9 of which are in the preschool program. He implored people to write to their representative to have the preschool program eliminated from the law.

Madelina Williams, 26 Egypt Rd asked if the stimulus funds are included in this budget. Mr. Cullinan stated that they have not been built into this budget. He also explained that the Education Cost Sharing Grant will not be increased by the State Stability Funds but only offset with the bottom line reimbursement being the same as last year. He also stated that the Entitlement Grants or IDEA Grants cannot be used for new programs, only to augment the existing.

Mr. Clements commented that historically, the percentage increase in the budget increase percentages have been less than the CPI.

Leo Miller, 36 Hillsdale Drive asked if the actual tax collection rate at this time is 97.1%, why the board feels that 97.5% is going to be collected for 2009-10 year. Mr. DiCorleto stated that he felt it was a good number and that he felt that it is a conservative figure. No one knows for sure.

Clayton Bannock, 67 ½ Snipsic Lake Rd, told the Board that the town residents look to them to do the right thing when it comes to determining the amount of spending.

Rick Neal, 17 Blueberry Circle, stated that at the last meeting he attended the fund balance was over \$1,000,000 and now it is being shown at \$932,000. He asked where the funds went. Mr. Clements stated that it was used to balance the budget for next year and used to offset reductions in revenues this year.

A resident asked where the Fire Truck was shown, and Mr. DiCorleto stated that it is shown in the debt service as year 1 of a 5 year lease payment of \$191,696.

George Cook, 1 Westview Terrace stated that other towns had decline raises and cut positions.

First Selectman Mike Stupinski stated that he requested all bargaining units to discuss with their groups the giving up of their raises for the next fiscal year. He has not gotten all the responses back yet.

Mr. Cullinan stated that he Board of Education sent a letter to the bargaining units. Six administrative employees have agreed to give back. The other groups declined but are continuing discussions.

Mr. Clements stated that when the reductions are made, the bargaining units may come forward then.

Chairman Clements closed the hearing at 9:25 pm.

Respectfully submitted:

A handwritten signature in cursive script that reads "Lori Smith".

Lori Smith, Recording Secretary